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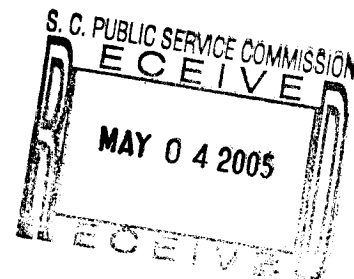
C. DUKES SCOTT
EXECUTIVE DIRECTOR

P.O. Box 11263
Columbia, S.C. 29211



Phone: (803) 737-0800
Fax: (803) 737-0801

DAN E. ARNETT
CHIEF OF STAFF



May 2, 2005

Mr. Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Petition of the Office of Regulatory Staff to Request Forfeiture of the
Bond and to Request Authority to Petition the Circuit Court for
Appointment of a Receiver.
PSC Docket No.: 2005-110-W/S

Dear Mr. Terreni:

For your docket, please find enclosed a copy of the Office of Regulatory Staff's
First Continuing Data Request which was served on counsel for Piney Grove Utilities,
Inc. Also, if you would please date stamp the extra copy enclosed and return it to me via
our courier.

Please let me know if you have any questions

Sincerely,

Benjamin P. Mustian

BPM/cc
Enclosures

cc: D. Reece Williams, IV, President
Louis Lang, Esquire
Jessica J.O. King, Esquire

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

DOCKET NO. 2005-110-W/S

May 2, 2005

IN RE: Petition of the Office of Regulatory)
Staff to Request Forfeiture)
of the Piney Grove Utilities, Inc.)
Bond And to Request Authority)
To Petition the Circuit Court for)
Appointment of a Receiver)

CERTIFICATE OF SERVICE

This is to certify that I, Cindy Clary, an employee with the Office of Regulatory Staff, have this date served one (1) copy of the **Office of Regulatory Staff's First Continuing Data Request** in the above-referenced matter to the person(s) named below by causing said copy to be deposited in the United States Postal Service, first class postage prepaid and affixed thereto, and addressed as shown below:

Jessica J.O. King, Esquire
DHEC
2600 Bull Street
Columbia, SC 29201

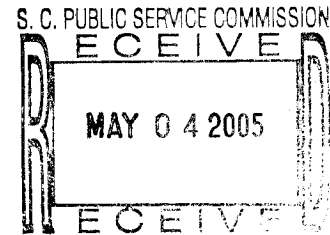
Louis Lang, Esquire
Callison, Tighe & Robinson, LLC
1812 Lincoln Street, Suite 200
Columbia, SC 29202-1390

D. Reece Williams, IV, President
Piney Grove Utilities, Inc.
49 Archdale Street
Charleston, SC 29401


Cindy Clary

May 2, 2005
Columbia, South Carolina

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2005-110-W/S



IN RE: Petition of the Office of Regulatory)
Staff to Request Forfeiture)
of the Piney Grove Utilities, Inc.)
Bond And to Request Authority)
To Petition the Circuit Court for)
Appointment of a Receiver)

**Office of Regulatory Staff's First
Continuing Data Request**

TO: LOUIS H. LANG, ESQUIRE, ATTORNEY FOR THE RESPONDENT, PINEY GROVE UTILITIES, INC.

INSTRUCTIONS

The Office of Regulatory Staff hereby requests, pursuant to 26 S.C. Code Regs. 103-853 (Supp. 2003), that you answer the following data requests in writing and under oath within ten (10) days after service at the Office of Regulatory Staff, 1441 Main Street, Suite 300, Columbia, South Carolina, 29201. If you are unable to respond to any of the data requests, or part or parts thereof, please specify the reason for your inability to respond and state what other knowledge or information you have concerning the unanswered portion.

As used in these data requests, "identify" means, when asked to identify a person, to provide the full name, title, and current address and telephone number of the person. When asked to identify a document, "identify" means to provide a full and detailed description of the document and the name and address of the person who has custody of the document. In lieu of providing a full and detailed description of a document, you may attach to your responses a copy of the document and identify the person who has custody of it. When the word "document" is used herein, it means any written, printed, typed, graphic, photographic, or electronic matter of

any kind or nature and includes, but is not limited to, statements, contracts, agreements, reports, opinions, graphs, books, records, letters, correspondence, notes, notebooks, minutes, diaries, memoranda, transcripts, photographs, pictures, photomicrographs, prints, negatives, motion pictures, sketches, drawings, publications, and tape recordings. As used in this data request, "address" means mailing address and business address.

Wherever in this data request a masculine pronoun or possessive adjective appears, it refers to both males and females in accordance with traditional English usage.

IT IS HEREIN REQUESTED:

- A. That all information shall be provided to the undersigned in the format as requested.
- B. That all responses to the requests below be labeled using the same numbers as used herein.
- C. That each of the enumerated data requests be reproduced at the beginning of each of the responses.
- D. That if the requested information is found in other places or in other exhibits, reference not be made to those, but instead, that the information be reproduced and placed in the data request in the appropriate sequence.
- E. That any inquiries or communications relating to questions concerning clarifications of the data requested below be directed to the undersigned.
- F. That all exhibits be reduced to 8 ½" x 11" format, where practical.
- G. That the requested information be bound in ring binders (loose leaf notebooks) or otherwise suitably bound.
- H. That in addition to the signature and verification at the close of the Company's responses, the Company witness(es) or employee(s) responsible for the information contained in each response be indicated.
- I. That the Company provide to the Office of Regulatory Staff two copies of the responses to this data request as soon as possible but no later than ten (10) days after service thereof.

- J. If the response to any data request is that the information requested is not currently available, please state when the information requested will be available.
- K. This data request shall be deemed to be continuing so as to require the Company to supplement or amend its responses as any additional information becomes available.

QUESTIONS

- 1.1 Provide the following information:
- a. What is the total amount of revenues from tap fees collected from customers during the period from January 1, 2004 to December 31, 2004?
 - b. What is the maximum number of taps that can be installed on the present system?
 - c. How many taps were provided during 2004?
- 1.2 Provide a detailed listing of the number of residential and commercial customers as of December 31, 2003 and March 1, 2005. Provide a detailed breakdown by customer classification, service type provided, and specific subdivision.
- 1.3 What land and land rights does Piney Grove Utilities, Inc. own and where is it located? Indicate the years each was purchased and its purchase price. Please state the appraised values of the land.
- 1.4 Subsequent to the last rate case, has there been any change in the ownership of Piney Grove Utilities, Inc.? If so, provide a listing of the owners of the Company. Was the change in ownership approved by the Commission? If so, please identify the docket in which the Commission addressed the change of ownership of the Company. Identify the current owners of Piney Grove Utilities, Inc.
- 1.5 List by year the total number of bills issued to customers during the years 2003 and 2004.
- 1.6 List all Piney Grove Utilities, Inc. assets pledged for loans of any type.
- 1.7 Provide a copy of any and all loan agreements, the applicable amortization schedules, and any other relevant documentation.
- 1.8 Provide a schedule showing when salaries of Piney Grove Utilities, Inc. officers and employees are paid and pay stubs for three consecutive pay periods for officers and employees.
- 1.9 Provide a schedule detailing the amount of bonuses received by Piney Grove Utilities, Inc. officers, owners and employees during the year 2004.
- 1.10 Provide a copy of all federal and state income tax returns signed and filed by Piney Grove Utilities, Inc. for tax years 2002, 2003 and 2004. This request includes all

supporting schedules and documents, such as 1099s, and the like, whether filed or not.

- 1.11 Provide a copy of the complete customer complaint log detailing all recorded customer complaints and all actions taken in response to the customer complaints for the years 2004 and 2005 pertaining to sewer/wastewater collection and treatment systems owned by Piney Grove Utilities, Inc.
- 1.12 Provide a copy of the complete customer complaint log detailing all recorded customer complaints and all actions taken in response to the customer complaints for the years 2004 and 2005 pertaining to the drinking water system owned by Piney Grove Utilities, Inc.
- 1.13 Provide copies of Piney Grove Utilities, Inc.'s annual reports for the years 2001, 2002, 2003 and 2004 that were required to be filed with the PSC.
- 1.14 Provide a copy of Judge Marc Westbrook's order issued on or about April 22, 2005 which granted the temporary takeover of the wastewater treatment system (WWTF) at the Lloydwood Subdivision by DHEC.
- 1.15 Provide a copy of Piney Grove Utilities, Inc.'s latest service area maps.
- 1.16 Provide the following information:
 - a. How a customer is to contact the Company after hours?
 - b. How a customer is to contact the utility during an emergency?
 - c. How customers are notified of their ability to contact the Company after hours or during an emergency?
- 1.17 Provide complete Accounts Receivable ledgers documenting each customer account and all transactions for the year ending December 31, 2004. Along with ledgers and accompanying information, provide customer number, monthly invoice and payment history, current and previous account balances, late fees/payments, disconnect/reconnect fees/payments, return check fees/payments, and delinquency status.
- 1.18 Does the Company have any plans to install individual cutoff valves for customers? If so, please provide detailed information concerning these plans.
- 1.19 Justify the current charge of a \$90.00 deposit and a \$5.00 late (penalty) fee charge. How much revenue from deposits was collected from customers during the year ending December 31, 2004? How much revenue from late fees was collected from customers during the year ending December 31, 2004?
- 1.20 How is the Company made aware of new customers in the Lloydwood and Franklin Park Subdivisions?

- 1.21 Please describe the system(s) which provides Water and Wastewater services to the Franklin Park and Lloydwood Subdivisions? Provide details of the system's capacity to deliver these services. Include information with respect to DHEC and local and federal regulatory compliance status.
- 1.22 Provide written cost documentation for maintenance and repair work at the wastewater treatment facility (i.e., spray effluent pump replacement, aerator repair, grass cutting, etc.) for years 2004 and 2005.
- 1.23 Provide documentation for the cost for repair of line breakages, dates, and extent of breakage for years 2004 and 2005.



Florence P. Belser, Esquire
Benjamin P. Mustian, Esquire
Office of Regulatory Staff
P.O. Box 11263
Columbia, South Carolina 29211

May 2, 2005